

# **FISCAL NOTE**

## **HB 697 - SB 664**

April 1, 2005

**SUMMARY OF BILL:** Limits the liability of licensed non-profit facilities for damages up to \$300,000 per claimant and \$1 million per occurrence for actions arising in tort during the time that the facilities are contracting with the Division of Mental Retardation Services or the Bureau of TennCare to provide residential services for individuals with developmental disabilities or mental retardation. The limitation of liability does not apply to willful, malicious, or criminal acts or omissions.

### **ESTIMATED FISCAL IMPACT:**

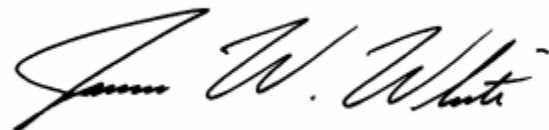
#### **MINIMAL**

##### Assumptions:

- Agencies would be sued by individuals, who would be limited in the amount they could recover for damages.
- Damages the State suffered would not be recovered through tort action.
- There have been no large settlements that affected reimbursement rates for the Division of Mental Retardation Services or the Bureau of TennCare.
- This bill is not applicable to claims that fall within jurisdiction of the Claims Commission so there would be no impact to the Risk Management Fund.

### **CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director